



State of Utah

DEPARTMENT OF COMMERCE
Committee of Consumer Services

Minutes of the Meeting of the Committee of Consumer Services Held in Room 4A of the Heber M Wells Building, Salt Lake City, on 9 September 2003

Dee Jay Hammon called the meeting to order at 9:35am in Room 4A.

Members of the Committee in Attendance:

Franz Amussen	Kent Bateman	Kelly Casaday
Dee Jay Hammon	Betsy Wolf	

Staff in Attendance:

Roger Ball	Kelly Francone	Dan Gimble
Nancy Kelly	Leah Lindstrom	Cheryl Murray
Eric Orton	Oliwia Smith	Reed Warnick

Members of the Public in Attendance:

Dave Anderton	Steve Chapman	Chris Keyser
Barrie McKay	Gary Robinson	

1 Administrative Matters

1.1 Welcome and Apologies for Absence

Dee Jay Hammon welcomed all those attending the meeting.

1.2 Minutes of Previous Meetings

Franz Amussen proposed that the minutes of the meeting of 29 July and 1 August 2003 be approved. Kent Bateman seconded the proposal, which passed unanimously.

1.3 Dates and Locations of Next Meetings

The next meeting of the Committee will be held on Tuesday, 21 October 2003, commencing at 9:30am until 2:30pm, in Room 4A of the Heber M Wells Building. The following meeting is scheduled for Tuesday, 2 December, at the same time and in the same location.

1.4 The Committee's Budget

Dee Jay Hammon gave an overview of the Committee's budget needs.

Kent Bateman proposed that:

the Committee of Consumer Services once again request three budget elements in the 2004 legislative General Session:

\$250,000 as a supplemental appropriation for FY04 in existing, non-lapsing Professional & Technical Fund balances, to convert, furnish and equip space in the Heber M Wells Building, to allow the Committee's staff to be co-located in the same part of the building without the present overcrowding and inefficiencies;

\$100,000 in increased funding for FY05, for an analyst to look at bill inserts, media advertisements and unsolicited sales calls from electricity, natural gas and telecommunications providers and examine the extent to which they clearly and honestly communicate with customers, and to prepare and disseminate materials to Utah customers which would inform and educate them about prices, services and choices; and

\$100,000 in increased funding for FY05 for an additional gas analyst.

He further proposed that:

the Chairman of the Committee of Consumer Services meet with:

the Executive Director of the Department of Commerce; and

the Director of the Governor's Office of Planning and Budget;

to explain:

how the Committee is funded; and

why its requests should be included in the Governor's Budget Proposal to the Legislature;

and to solicit their commitment to ensure that will happen regardless of General Fund and other issues.

Kelly Casaday seconded the proposal and it passed unanimously.

2 Electric

2.1 Multi-State Process

Nancy Kelly gave an update on the Multi-State Process.

2.1.1 Consideration of a Contract Amendment

Betsy Wolf proposed that the Committee of Consumer Services allocates an additional \$50,000— for a total of \$291,820 – to the SRP contract with Synapse Energy Economics.

Kelly Casaday seconded the proposal and it passed unanimously.

2.2 2003 Test Year Rate Case

Cheryl Murray summarized the current status of the Rate Case.

2.3 Sales of Power in Excess of 1 MW by Qualifying Facilities to PacifiCorp

Kelly Francone gave a brief update.

2.4 Open Bidding for Generation Resources

Kelly said that PacifiCorp has filed its first RFP under the new open bidding guidelines.

2.5 Demand Side Management Advisory Group

Cheryl outlined the Advisory Group's work.

2.6 Demand Side Management Tariff Rider

Cheryl said that a stipulation has been prepared, signed, and filed with the Commission, and a hearing is set for 23 September.

2.7 Special Contract Surcharges

Dan Gimble gave an overview.

2.8 Experimental Interruptible Service Rider

Cheryl updated the Committee.

2.9 Standard Market Design

Nancy said that the Bush Administration supports delaying SMD until 2005. The recent Eastern Blackout is also having an impact on SMD.

2.10 FERC Findings on Market Manipulation

Kelly gave an overview of FERC's 26 August Order.

2.11 Consideration of a New Contract

Kent Bateman proposed that the Committee of Consumer Services enter into a sole source contract, with a termination date of 30 September 2004, with Hayet Power Systems Consulting for the amount of \$23,000 for expert assistance and examination of PacifiCorp's IRP.

Kelly Casaday seconded the proposal and it passed unanimously.

3 Gas

3.1 Questar's Green Sticker

Barry McKay of Questar Gas updated the Committee on the Company's campaign plans.

3.2 1999 Test Year Rate Case – Supreme Court CO₂ Order

Reed Warnick summarized recent developments in the case.

4 Telecommunications

4.1 Pricing Flexibility 2003

Oliwia Smith updated the Committee on the most recent developments

4.1.1 Consideration of Two New Contracts

Franz Amussen proposed that the Committee enter into two sole source contracts, each with a termination date of 30 September 2004, with:

William Dunkel & Associates for the amount of \$37,518; and

Economics & Technology Inc for the amount of \$34,995.

Betsy Wolf seconded the proposal and it passed unanimously

4.2 Sale of Yellow Pages

Oliwia updated the Committee on the current status of the Qwest Dex sale.

5 Other Business

Roger Ball informed the Committee that the next Legislative Interim Day would be 17 September 2003.

He read an e-mail about plans for the transition when the Governor is confirmed as EPA Administrator, and inviting recommendations for executive orders.

Roger distributed a list of upcoming conferences, invited members and staff to review it, and to attend those of interest.

He described recent efforts to achieve a reduction in dues for members of WECC's Class IV.

6 Closed Meeting

Kent Bateman proposed that the Committee go into closed session to discuss pending or reasonably imminent litigation issues. Kelly Casaday seconded the proposal and it passed unanimously.

Franz Amussen proposed that the Committee return to open session. Kent Bateman seconded the proposal and it was unanimously passed.

7 Motions on Matters Discussed in Closed Meeting

The Committee took no action.

8 The Committee: Its Function and its Future

Kent Bateman proposed that the Committee adjourn. The proposal passed and the meeting ended at 1:55pm.